



## Ohio Revised Code

### Section 131.10 Subordination of liens upon securities held to insure contractual obligations.

Effective: October 1, 1953

Legislation: House Bill 1 - 100th General Assembly

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A political subdivision, taxing unit, board of library trustees, or board of directors of a municipal university of this state holding securities under authority of any section of the Revised Code to insure the faithful performance of depository contracts of banks which subsequent to the execution of such contracts are operated by a conservator, state or national, the possession of which is assumed by the superintendent of banks, a receiver appointed by the comptroller of the currency, or other person lawfully in charge of the business and affairs of a closed bank, may subordinate its lien upon such securities to that of a subsequent pledgee of such securities who agrees to advance funds upon such securities. The entire proceeds realized from such subsequent pledge shall be applied by the conservator, the superintendent of banks, the receiver appointed by the comptroller of the currency, or other person lawfully in charge of the business and affairs of a closed bank to reduce the deposit liability of such bank to the political subdivision, taxing unit, board of library trustees, or board of directors of a municipal university. As a part of such transaction such political subdivision, taxing unit, board of library trustees, or board of directors of a municipal university may deliver to such pledgee such securities to be held by it until the lien of such pledgee is satisfied and may consent to the liquidation of such securities in such manner as is agreed upon with such pledgee.

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